

The complaint

Miss B complains that her advisers, WPS ADVISORY Ltd (WPS), made errors and caused delays in the transfer of her defined-benefit (DB) occupational pension scheme to a personal pension (PP).

What happened

As the events are well known to both parties, I'll only set out what I think is key to reaching my decision here.

In mid-January 2021, Miss B obtained a cash equivalent transfer value (CETV) from her DB administrator, guaranteed until 14 April 2021. And, on 31 March 2021, Miss B made an appointment with WPS for advice on transferring her DB scheme to a PP. This appointment was scheduled for 6 May 2021 and paid for by her scheme administrator. Miss B wanted to take £50,436.50 in tax-free cash (TFC) and an ad-hoc payment of £40,000.

Due to the adviser being unwell the appointment took place on 12 May 2021. The adviser completed a fact find with Miss B and confirmed her risk profile with her the next day. Miss B didn't hear anything further, so she chased the adviser on 19, 21 and 24 May 2021, explaining she wanted to complete the transfer before moving abroad on 5 July 2021. And, on 25 May 2021, Miss B got in contact with WPS directly and found out her adviser was on long term leave. She spoke with a new adviser three days later, explained the urgency and was told she'd need another CETV, which she obtained on or around 4 June 2021.

On 15 June 2021, WPS received the transfer value analysis to help form its advice. And, on 24 June 2021, WPS issued its advice report and Miss B signed and returned the forms to go ahead with the transfer the same day. On 28 June 2021, Miss B asked WPS for an update. And, by 6 July 2021, WPS had completed the outstanding requirements and sent the transfer documents to Miss B's ceding and receiving schemes.

On 12 July 2021, Miss B's ceding scheme confirmed her transfer request had been processed. On 20 July 2021, the funds had been received and cleared with Miss B's receiving scheme. And the next day it transferred the TFC and ad-hoc payment to the account details it had been provided with for Miss B on the receiving scheme application form. But two digits of the account number given on this were incorrect, so the funds were sent to someone else's account.

In September 2021, Miss B raised a complaint with WPS, unhappy she had to wait six weeks for an appointment, which was then delayed by a week as her adviser was unwell. Miss B said she had to pay for another CETV, as hers expired and the transfer value dropped. And that as WPS gave her receiving scheme incorrect bank details she didn't have the TFC and ad-hoc payment she needed when she moved abroad in early July 2021, which caused her a great deal of stress, upset and inconvenience. Miss B said she and her son depend on her pension, she had to borrow funds and couldn't afford a car to get a job. Miss B also said she's lost out on interest and that the drop in exchange rate means she'll lose out when transferring the funds abroad.

Throughout September 2021, Miss B sent WPS multiple emails chasing the payment issue. And WPS told her the transfer should have completed and it was still investigating. When Miss B didn't receive a further response from WPS she brought her complaint to our Service. And she received the outstanding funds in September and October 2021.

One of our Investigators looked into Miss B's complaint and, after initially upholding it, he said he didn't think WPS had caused any real delays. And that an email Miss B sent to WPS shows she added incorrect bank details to the receiving scheme application form. He said this was the main reason for the time taken for her to receive payment, which we can't hold WPS responsible for. But he said WPS should pay Miss B £100 in compensation for the lack of updates and poor customer service.

Miss B didn't agree, she said the only form she completed was for her ceding scheme. She said WPS completed the receiving scheme application form, including her bank details which were typed rather than handwritten by her. She also said she wasn't referring to having added these to the form in her email – she was referring to having attached a certified bank statement containing her bank details. Miss B said WPS' error and lack of help meant she spent a lot of time on long distance calls and it took months for her funds to be retrieved. And that her receiving scheme was the only one that helped, by lending her the money against the funds that were pending deposit.

So the complaint's been passed to me for a decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I've reached much the same conclusion as our Investigator, for largely the same reasons.

I've only briefly considered whether WPS caused delays, as I think the crux of Miss B's complaint is the issue with the incorrect bank details. Having done so, I can see WPS made Miss B aware how long it was before she could have an initial appointment with it and she chose to wait, so I can't fairly say it caused a delay here. Miss B's adviser being unwell caused a few weeks delay, but when she contacted WPS directly it quickly gave her a new adviser. And I think WPS made up for this as it still gave Miss B its advice and completed its responsibilities within seven weeks of her initial scheduled appointment with it. It isn't unusual for such a process to take several weeks and I think Miss B was aware of this as her CETV from January 2021 made it clear this could take eight weeks.

Even if I thought otherwise, I can't fairly hold WPS responsible for Miss B having to obtain and pay for a new CETV or any drop in the transfer value. This is because she would have always needed to do this given her first CETV expired within a few weeks of her first approaching WPS and before her first scheduled appointment with it.

And I think Miss B receiving the TFC and ad-hoc payment would have always been significantly delayed beyond when she needed it at the start of July 2021 as it was sent to the wrong bank account, which I can't reasonably hold WPS responsible for. I'll explain why.

Miss B says WPS incorrectly filled out her bank account details on the receiving scheme form, while WPS says it wasn't responsible for this. So, I've had to consider the available evidence to decide what I think is most likely to have happened in the circumstances.

I can see WPS sent Miss B an email on 24 June 2021 asking her to complete, sign and return the attached documents, including its advice report and the application forms for her ceding and receiving schemes. Looking at these attachments I can see the bank details section for Miss B on the receiving scheme application form was blank. Whereas when Miss B replied to WPS she said:

'I've looked through everything, may I just confirm that the documents I need to sign are the advice report and the [receiving scheme] App, I've updated what I can, I changed my email to my personal email...

I also added my bank account details. [my emphasis]

I've attached both forms, would you mind taking a look and confirm all I need to do is sign them.

I've already provided the bank statement, do I need to provide certified identification again?..."

Having considered this, I'm not persuaded Miss B was referring to having included her certified bank statement when saying she'd added her bank account details in this email. The receiving scheme application form was the only one that had a section for her bank account details. And I think Miss B was saying she'd added these to it, given she said it in the context of explaining which parts of this form she'd updated. It was only after Miss B then said she'd attached the forms and queried next steps with these that she mentioned the bank statement.

While Miss B says WPS completed the receiving scheme application form, the advice report said she still needed to complete the parts of the forms WPS had indicated. And it seems reasonable to think it was referring to those highlighted in yellow, which I can see included the section for Miss B's bank account details. The email address Miss B acknowledges updating on the forms was typed by her, so I don't think that the bank details being typed rather than handwritten shows WPS filled these in. And, as mentioned, the evidence suggests Miss B's bank details were blank when WPS emailed her the form and that she filled these in.

In summary, I think it's likely on balance that Miss B incorrectly added her bank account details to the receiving scheme form. While I understand Miss B found herself in a very difficult and worrying position as a result of this unfortunate error, for the reasons set out above I can't hold WPS responsible for her TFC and ad-hoc payment being paid to the wrong bank account or the impact she experienced as a result.

Turning to compensation, while WPS could have provided Miss B with better customer service, for example she's had to chase it, I think the funds not arriving in her bank account – which I've explained I don't think WPS is responsible for – is what's caused her the most distress and inconvenience in the circumstances. Miss B had already raised this with the relevant parties though, being her receiving scheme and bank. And I can see that much of the time Miss B spent chasing WPS was after she'd already raised her complaint with it. So, taking everything into account, I think £100 in compensation is a fair and reasonable amount for WPS to pay Miss B to make up for any distress and inconvenience it caused her. I'm not asking it to do any more than this.

Putting things right

WPS should pay Miss B £100 compensation for the distress and inconvenience caused to her.

My final decision

For the reasons I've given, WPS ADVISORY LTD is required to pay Miss B £100 in compensation for distress and inconvenience caused to her by this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 15 March 2023.

Holly Jackson
Ombudsman